

INDEPENDENT AUDITORS' REPORT
ON
BASIC FINANCIAL STATEMENTS,
COMPLIANCE AND
INTERNAL CONTROLS
OF
FIRST PARISH COURT JUDICIAL EXPENSE FUND
FOR THE PARISH OF JEFFERSON, LOUISIANA
December 31, 2011

JEFFERSON PARISH, LOUISIANA
FIRST PARISH COURT JUDICIAL EXPENSE FUND
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Kushner LaGraize, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

S. DAVID KUSHNER, CPA, CrFA*
WILSON A. LaGRAIZE, JR., CPA, CrFA, CFF
ERNEST G. GELPI, CPA, CGFM
CRAIG M. FABACHER, CPA
DOUGLAS W. FINEGAN, CPA, CVA
MARY ANNE GARCIA, CPA
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Society of Louisiana CPA's

INDEPENDENT AUDITORS' REPORT

Honorable Rebecca M. Oliver, Judge, Division "A"
Honorable George W. Giacobbe, Judge, Division "B"
First Parish Court for the Parish of Jefferson
924 David Drive
Metairie, Louisiana

We have audited the accompanying basic financial statements of the First Parish Court Judicial Expense Fund (the Fund) as of and for the year ended December 31, 2011. These basic financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the First Parish Court Judicial Expense Fund as of December 31, 2011 and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 23, 2012, on our consideration of the First Parish Court Judicial Expense Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the other required supplementary information on pages 3 through 5 and 15, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

KUSHNER LAGRAIZE, L.L.C.

Kushner LaGraize, L.L.C.

Metairie, Louisiana

June 23, 2012

JEFFERSON PARISH, LOUISIANA
FIRST PARISH COURT JUDICIAL EXPENSE FUND

Management's Discussion and Analysis

December 31, 2011

The Management's Discussion and Analysis (MD&A) of the First Parish Court Judicial Expense Fund's (the Expense Fund's) annual financial report provides important background information and management's analysis of the Expense Fund's financial performance during the fiscal year that ended on December 31, 2011. Please read this section in conjunction with the basic financial statements and the notes to the basic financial statements beginning on page 12 of this report.

The MD&A is an element of the Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34—*Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2011) and the prior year (2010) is required to be presented in the MD&A.

Financial Highlights

The total assets of the Expense Fund at the close of 2011 and 2010 were \$1,119,420 and \$1,182,899, respectively, representing a decrease of \$63,479 in 2011. Of this amount \$213,439 and \$245,812 respectively, were invested in capital assets. The remainder is considered unrestricted and may be used for any lawful purpose.

Total costs of the Expense Fund's programs in 2011 and 2010 were \$210,035 and \$155,378, respectively, representing an increase of \$54,657. The fund balance (unrestricted net assets) in 2011 and 2010 was \$895,817 and \$929,561, respectively representing a decrease of \$33,744 in 2011.

Overview of the Financial Statements

This financial report consists of the following basic parts: management's discussion and analysis (this section), the basic financial statements, the notes to the financial statements and supplementary information.

The basic financial statements contained in this report are presented using GASB accounting principles. These financial statements provide overall information about the Expense Fund's financial activities on both a short-term and long-term basis. The statement of net assets presents information about its assets (resources) and liabilities (the amounts obligated to its creditors). The statement of revenues, expenses, and changes in net assets presents information about the current year's revenues and expenses. This statement can be used to measure operating improvements or deterioration as well as provide useful information for determining whether the Expense Funds' revenues were sufficient to allow the Expense Fund to recover all its costs. The notes to financial statements are also an integral part of this report.

JEFFERSON PARISH, LOUISIANA
FIRST PARISH COURT JUDICIAL EXPENSE FUND

Management's Discussion and Analysis

December 31, 2011

Net Assets

A summary of the Expense Fund's Statements of Net Assets is presented in Table 1 below:

TABLE 1
Condensed Statement of Net Assets
As of December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>	<u>Change</u>
Current assets	\$ 905,981	\$ 937,087	\$ (31,106)
Noncurrent assets:			
Capital assets-net	213,439	245,812	(32,373)
Total assets	<u>1,119,420</u>	<u>1,182,899</u>	<u>(63,479)</u>
Current liabilities	<u>10,164</u>	<u>7,526</u>	<u>2,638</u>
Total liabilities	<u>10,164</u>	<u>7,526</u>	<u>2,638</u>
Net assets:			
Invested in capital assets	213,439	245,812	(32,373)
Unrestricted	895,817	929,561	(33,744)
Total net assets	<u>\$ 1,109,256</u>	<u>\$ 1,175,373</u>	<u>\$ (66,117)</u>

The Expense Fund's total net assets decreased \$66,117 to \$1,109,256 in fiscal year 2011, from \$1,175,373 at the end of fiscal year 2010. The change results primarily from the increase in expenditures made as compared to prior year.

Summary of Revenues, Expenses, and Changes in Net Assets

The following table presents a summary of the Expense Fund's revenues and expenses for the fiscal years ended December 31, 2011 and 2010.

JEFFERSON PARISH, LOUISIANA
FIRST PARISH COURT JUDICIAL EXPENSE FUND

Management's Discussion and Analysis

December 31, 2011

TABLE 2
Condensed Statement of Revenues, Expenses, and Changes in Net Assets
For the years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>	<u>Change</u>
Charges for Services	\$ 143,918	\$ 223,170	\$ (79,252)
Expenses	<u>210,035</u>	<u>155,378</u>	<u>(54,657)</u>
Increase/(decrease) from program activities	(66,117)	67,792	(133,909)
 Change in net assets	 (66,117)	 67,792	 (133,909)
Total net assets, beginning of year	<u>1,175,373</u>	<u>1,107,581</u>	<u>67,792</u>
Total net assets, end of year	<u><u>\$ 1,109,256</u></u>	<u><u>\$ 1,175,373</u></u>	<u><u>\$ (66,117)</u></u>

Budgets

The budget was amended one time during the year. The primary reason for amending the budget was to prevent compliance violations under state law. The major differences between the original General Fund budget and the final amended budget were as follows:

Revenues

- Fines and forfeitures decreased by \$77,745 to better reflect the fund payments received.

Expenditures

- Salaries decreased by \$43,827 due to the fund deciding not to hire additional employees.
- Capital outlay decreased by \$70,000 because the fund decided not to purchase additional assets.

Contacting the Expense Fund's Financial Management

This financial report is designed to provide all interested parties with a general overview of the Expense Funds' finances and to demonstrate the Expense Funds' accountability for money it receives. If you have questions about this report or need additional financial information, contact the Jefferson Parish Finance Department at (504) 364-2767.

JEFFERSON PARISH, LOUISIANA
FIRST PARISH COURT JUDICIAL EXPENSE FUND
STATEMENT OF NET ASSETS
December 31, 2011

ASSETS	Governmental Activities
Cash and cash equivalents	\$ 898,703
Due from other governments	7,278
Capital assets (net of accumulated depreciation)	<u>213,439</u>
TOTAL ASSETS	<u>1,119,420</u>
LIABILITIES	
Accounts payable	9,068
Accrued Salaries	<u>1,096</u>
TOTAL LIABILITIES	<u>10,164</u>
NET ASSETS	
Invested in capital assets	213,439
Unrestricted	<u>895,817</u>
TOTAL NET ASSETS	<u>\$ 1,109,256</u>

The accompanying notes are an integral part of this statement.

JEFFERSON PARISH, LOUISIANA
 FIRST PARISH COURT JUDICIAL EXPENSE FUND
 STATEMENT OF ACTIVITIES
 Year Ended December 31, 2011

	<u>Program Revenues</u>		
<u>FUNCTIONS/PROGRAMS</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Net (Expense) Revenue</u>
Governmental Activities:			
Judicial Expense Fund	\$ 210,035	\$ 143,918	\$ (66,117)
Total Governmental Activities	<u>\$ 210,035</u>	<u>\$ 143,918</u>	<u>(66,117)</u>
Decrease in net assets			(66,117)
Net assets-January 1, 2011			<u>1,175,373</u>
Net assets-December 31, 2011			<u>\$ 1,109,256</u>

The accompanying notes are an integral part of this statement.

JEFFERSON PARISH, LOUISIANA
FIRST PARISH COURT JUDICIAL EXPENSE FUND
GOVERNMENTAL FUND BALANCE SHEET

December 31, 2011

	GOVERNMENTAL FUND TYPE
	GENERAL FUND
ASSETS	
Cash and cash equivalents	\$ 898,703
Due from other governments	<u>7,278</u>
TOTAL ASSETS	<u>\$ 905,981</u>
LIABILITIES AND FUND EQUITY	
LIABILITIES	
Accounts payable	\$ 9,068
Accrued salaries	<u>1,096</u>
TOTAL LIABILITIES	<u>10,164</u>
FUND EQUITY	
Fund balance - unassigned	<u>895,817</u>
TOTAL FUND EQUITY	<u>895,817</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 905,981</u>

The accompanying notes are an integral part of this statement.

JEFFERSON PARISH, LOUISIANA
FIRST PARISH COURT JUDICIAL EXPENSE FUND
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET ASSETS

December 31, 2011

Total Fund Balance at December 31, 2011		
Governmental Fund		\$ 895,817
Cost of Capital Assets at December 31, 2011	517,107	
Less-Accumulated depreciation at December 31, 2011	<u>(303,668)</u>	<u>213,439</u>
Net Assets at December 31, 2011		<u>\$ 1,109,256</u>

The accompanying notes are an integral part of this statement.

JEFFERSON PARISH, LOUISIANA
 FIRST PARISH COURT JUDICIAL EXPENSE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - GOVERNMENTAL FUND TYPE

Year Ended December 31, 2011

	<u>GENERAL FUND</u>
Revenues	
Charges for services	
Fines and forfeitures	\$ 122,255
Court cost assessments	<u>21,663</u>
Total Revenues	<u>143,918</u>
Expenditures	
Current	
General government	
Salaries & benefits	20,839
Outside services	39,483
Supplies & office expense	88,706
Travel & seminars	7,978
Transportation	18,609
Capital outlay	<u>2,047</u>
Total current expenditures	<u>177,662</u>
Excess (deficiency) of revenues over expenditures	(33,744)
Fund balance	
Beginning of year	<u>929,561</u>
End of year	<u>\$ 895,817</u>

The accompanying notes are an integral part of this statement.

JEFFERSON PARISH, LOUISIANA
FIRST PARISH COURT JUDICIAL EXPENSE FUND
RECONCILIATION OF THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES

December 31, 2011

Total net (decrease) in fund balance-governmental fund		\$ (33,744)
Amounts reported for governmental activities in the Statement of Activities are different due to:		
Capital outlay	2,047	
Depreciation expense	<u>(34,420)</u>	<u>(32,373)</u>
(Decrease) in net assets of governmental activities		<u>\$ (66,117)</u>

The accompanying notes are an integral part of this statement.

JEFFERSON PARISH, LOUISIANA
FIRST PARISH COURT JUDICIAL EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS

December 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the First Parish Court Judicial Expense Fund (the Fund) for the Parish of Jefferson conform to U. S. generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

1. Reporting Entity

The First Parish Court Judicial Expense Fund for the Parish of Jefferson was established July 18, 1982, under the provisions of Louisiana R.S. 13:2562.22. These statutes provide for this fund to operate under the sole and exclusive authority of the First Parish Court judges. As such, the Parish Council is not financially accountable for these funds.

As required by U. S. generally accepted accounting principles, this report includes all funds and account groups of the First Parish Court Judicial Expense Fund (the primary government) that are controlled or dependent on the judges of the First Parish Court. No other organization was determined to be a component unit of the Fund. Therefore, no blended or discretely presented component units are presented in the accompanying financial statements.

2. Basis of Presentation

The accompanying financial statements of the Fund have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

3. Basis of Accounting

Government-Wide Financial Statements

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. Activities are presented using the economic resources method. The accounting objective of this measurement focus is the determination of operating income, changes in net assets, and financial position. All assets and liabilities (whether current or noncurrent) associated with the government's activities are reported. Fund equity is classified as net assets. Government activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, the Statement of Net Assets and Statement of Activities present revenues, expenses, and fixed asset acquisitions as follows:

Revenues – Revenues are recognized in the accounting period in which they are earned.

Expenses – Expenses are recorded when the liability is incurred or economic asset used.

Fixed Assets – Fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, except for donated fixed assets which are recorded at their estimated fair value at the date of donation.

Fund Financial Statements

The Fund uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are typically classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible

JEFFERSON PARISH, LOUISIANA
FIRST PARISH COURT JUDICIAL EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Fines and fees collected and held by intermediary collecting governments at year end on behalf of the Fund are considered susceptible to accrual and are recognized as revenues.

4. Cash

All of the Fund's deposits, including cash, money market accounts, and certificates of deposit are carried at cost. The fund's bank deposits are held at the same financial institutions as other funds of Jefferson Parish (the Parish), thus sharing in the maximum amount of federal depository insurance of that institution. At year-end, the carrying amount of these deposits were \$898,703. All of the bank balance was covered by federal depository insurance or by collateral held by the pledging financial institutions trust department or agent in the Parish's name.

5. Capital Assets and Depreciation

For the government-wide financial statements, capital assets are recorded at cost in the statement of net assets. Donated assets are valued at their estimated fair market value on the date received. First Parish Court does not have any infrastructure assets. Depreciation is computed using the straight line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Leasehold improvements	20-39 years
Equipment	5-10 years
Vehicles	5 years

For fund financial statements, capital acquisitions are reflected as expenditures in the governmental fund at the time purchased.

6. Governmental Fund Balances

On January 1, 2011, the Fund adopted GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which significantly changed the reporting of fund balance in the balance sheets of governmental type funds.

In the governmental fund financial statements, fund balances are classified as follows:

1. Non-spendable fund balance – amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
2. Restricted fund balance – amounts that can be spent only for specific purposes because of state or federal laws or externally imposed conditions by grantors, creditors, or citizens.
3. Committed fund balance – amounts that can be used only for specific purposes determined by a formal action by the Judges of the First Parish Court.
4. Assigned fund balance – amounts that are constrained by the Fund's intent that they will be used for specific purposes.
5. Unassigned fund balance – all amounts not included in the other spendable classifications.

The Fund considers restricted fund balances to be spent for governmental expenditures first when both restricted and unrestricted resources are available. The Fund also considers committed fund balances to be spent first when other unrestricted fund balance classifications are available for use.

JEFFERSON PARISH, LOUISIANA
FIRST PARISH COURT JUDICIAL EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2011

NOTE B - DUE FROM OTHER GOVERNMENTS

This amount represents the fines and fees due from the Jefferson Parish Sheriff's Office for collections made through December 31, 2011 and not yet remitted to the Fund.

NOTE C - CAPITAL ASSETS

A summary of the changes in the Capital Assets follows:

	BALANCE JANUARY 1, 2011	ADDITIONS	DELETIONS	BALANCE DECEMBER 31, 2011
Equipment	\$ 416,347	\$ 2,047	\$ 0	\$ 418,394
Vehicles	110,614	0	27,393	83,221
Leasehold improvements	<u>15,492</u>	<u>0</u>	<u>0</u>	<u>15,492</u>
Total at historical cost	<u>542,453</u>	<u>2,047</u>	<u>27,393</u>	<u>517,107</u>
Total accumulated depreciation	<u>296,641</u>	<u>34,420</u>	<u>27,393</u>	<u>303,668</u>
Capital Assets, net	<u>\$ 245,812</u>	<u>\$ (32,373)</u>	<u>\$ 0</u>	<u>\$ 213,439</u>

Depreciation expense for the year ended December 31, 2011 is \$34,420.

NOTE D - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The statutes which created the Fund place certain limitations and restrictions on the collections and disbursements of the Fund. The Fund is in compliance with all significant limitations and restrictions for 2011.

NOTE E - SUBSEQUENT EVENTS

Subsequent events were evaluated through June 23, 2012, which is the date the financial statements were available to be issued.

JEFFERSON PARISH, LOUISIANA
 FIRST PARISH COURT JUDICIAL EXPENSE FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE – BUDGET AND ACTUAL

Year Ended December 31, 2011

	<u>BUDGET</u>		<u>GENERAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>FUND</u>	<u>FINAL BUDGET</u>
				<u>POSITIVE/</u>
				<u>(NEGATIVE)</u>
Revenues				
Charges for Services				
Fines & Forfeitures	\$ 200,000	\$ 122,255	\$ 122,255	\$ 0
Court Cost Assessments	20,000	21,663	21,663	0
Intergovernmental	<u>7,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>227,000</u>	<u>143,918</u>	<u>143,918</u>	<u>0</u>
Expenditures				
Current				
General Government				
Salaries & Benefits	64,225	20,398	20,839	(441)
Outside Services	89,550	104,856	39,483	65,373
Supplies & Office Expense	62,200	54,213	88,706	(34,493)
Travel & Seminars	0	0	7,978	(7,978)
Transportation	0	0	18,609	(18,609)
Capital Outlay	<u>70,000</u>	<u>0</u>	<u>2,047</u>	<u>(2,047)</u>
Total Current Expenditures	<u>285,975</u>	<u>179,467</u>	<u>177,662</u>	<u>1,805</u>
Excess (Deficiency) of Revenues Over Expenditures	(58,975)	(35,549)	(33,744)	1,805
Fund Balance				
Beginning of Year	<u>929,561</u>	<u>929,561</u>	<u>929,561</u>	<u>0</u>
End of Year	<u>\$ 870,586</u>	<u>\$ 894,012</u>	<u>\$ 895,817</u>	<u>\$ 1,805</u>

See independent auditors' report

Kushner LaGraize, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Rebecca M. Oliver
Judge, Division "A"
Honorable George W. Giacobbe
Judge, Division "B"
First Parish Court for the Parish of Jefferson
924 David Drive
Metairie, Louisiana

We have audited the basic financial statements of the First Parish Court Judicial Expense Fund (the Fund) as of and for the year ended December 31, 2011, and have issued our report thereon dated June 23, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the First Parish Court Judicial Expense Fund is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Fund's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings Item 2011-1.

This report is intended solely for the information and use of the First Parish Court for the Parish of Jefferson and the Legislative Auditor of the State of Louisiana and is not intended to be and should not be used by anyone other than those specific parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

KUSHNER LAGRAIZE, L.L.C.

Kushner LaGraize, L.L.C.

Metairie, Louisiana
June 23, 2012

JEFFERSON PARISH, LOUISIANA
FIRST PARISH COURT JUDICIAL EXPENSE FUND

SCHEDULE OF FINDINGS

For The Year Ended December 31, 2011

SECTION I – SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the First Parish Court Judicial Expense Fund (the Fund).
2. No significant deficiencies in internal control relating to the audit of the financial statements are reported in the *Report on Internal Control Over Financial Reporting And on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards*.
3. One instance of noncompliance of the Fund is reported in the *Report on Internal Control Over Financial Reporting And on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards*.

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding 2011 – 1

During our testing of Capital Assets, we noted the Expense Fund owns three vehicles. These vehicles are assigned to the Court's bailiffs. Per inquiry with management, two of the bailiffs provide additional duties and multiple functions within their official capacities which require them to be on call 24 hours per day. However, the third bailiff's responsibilities are limited to overseeing the night court and he is not considered on call 24 hours a day. In addition, upon further review we determined these vehicles are being used for personal use other than traveling to and from work. Louisiana Constitution Art. VII, Section 14(A) states in part that the funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private. However, Attorney General Opinion No. 07-0180 states in part the public purpose of providing a prompt response to emergency situations is facilitated by providing 24 hour transportation for an employee that is on call 24 hours per day and the employee on call may use the vehicle to travel back and forth to work without violating Art. VII, Section 14(A) of the Louisiana Constitution.

Recommendation

We recommend that the Fund surplus one of the vehicles not used for 24 hour on call duty and monitor the amount of personal use of the remaining vehicles to comply with Attorney General Opinion No. 07-0180.

Response

See Management's Corrective Action Plan.



Rebecca M. Olivier
Judge, Division "A"

Office: (504) 736-8913
Fax: (504) 736-8992

FIRST PARISH COURT PARISH OF JEFFERSON

924 David Drive
Metairie, Louisiana 70003
(Corner West Metairie & David Drive)
Adm. Fax: (504) 736-8375 Phone: (504) 736-8900
TDD: (504) 736-8376

George W. Giacobbe
Judge, Division "B"

Office: (504) 736-8977
Fax: (504) 736-8995

June 13, 2012

Louisiana Legislative Auditor

First Parish Court of Jefferson Parish respectfully submits the following corrective action plan for the year ended December, 31, 2011.

Independent Public Accounting Firm:
Kushner LaGraize, L.L.C.
3330 West Esplanade Avenue, Suite 100
Metairie, LA 70002

Audit Period: January 1, 2011 through December 31, 2011

Finding

During our testing of Capital Assets, we noted the Expense Fund owns three vehicles. These vehicles are assigned to the Court's bailiffs. Per inquiry of management, two of the bailiffs provide additional duties and multiple functions within their official capacities which require them to be on call 24 hours per day. However, the third bailiff's responsibilities are limited to overseeing the night court and he is not considered on call 24 hours a day. In addition, upon further review we determined these vehicles are being used for personal use other than traveling to and from work. Louisiana Constitution Art. VII, Section 14(A) states in part that the funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private. However, Attorney General Opinion No. 07-0180 states in part the public purpose of providing a prompt response to emergency situations is facilitated by providing 24 hour transportation for an employee that is on call 24 hours per day and the employee on call may use the vehicle to travel back and forth to work without violating Art. VII, Section 14(A) of the Louisiana Constitution.

Recommendation

We recommend that the Fund surplus one of the vehicles not used for 24 hour on call duty and monitor the amount of personal use of the remaining vehicles to comply with Attorney General Opinion No. 07-0180.

Management Response

In response to your findings, and in order for the Judicial Expense Fund to be in compliance with your recommendations, First Parish Court will surplus the third vehicle not currently being used for 24 hour call duty. The two remaining vehicles will be monitored for personal use through an ongoing log system.